

**AGENDA:** October 8, 2002

**7.1**

**CATEGORY:** Items Initiated by Council

**DEPT.:** City Council

**TITLE:** CDBG and General Fund Budgeting  
Process Review

### **RECOMMENDATION**

Authorize the Procedures Committee of the City Council to review and consider refinements to the City's current Community Development Block Grant (CDBG) and General Fund budgeting process for community organizations.

### **FISCAL IMPACT**

There is no fiscal impact directly associated with the approval of the above-listed recommendation.

### **BACKGROUND AND ANALYSIS**

Each year, the City provides Federal CDBG and HOME pass-through funding and General Fund support to community organizations that provide human services and other programs to Mountain View residents.

The process for providing funds to local community organizations is outlined in City Council Policy A-8, Service Organization Funding Policy (Attachment 1).

To help improve future funding processes, the City Council adopted limited streamlining measures last April when it acted on CDBG funding allocations for FY 2002-03 (Attachment 2). These streamlining measures call for the implementation of minimum CDBG and HOME grant amounts of \$5,000 for public service programs and \$25,000 for capital programs.

Given the continuing economic downturn impacting all levels of government, it is very likely that there will be less CDBG/HOME and General Fund moneys available for pass-through and/or allocation for the 2003-04 fiscal year.

The implementation of additional process improvements/streamlining efforts may make this challenging funding process easier for both the City and community organizations requesting funding.

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Consequently, I am requesting that the Council authorize the Procedures Committee to consider additional refinements to the City's current CDBG/HOME and General Fund budgeting process.

If authorized, the proposed review can be completed in a short period of time and recommendations presented to the City Council for timely implementation before funding applications are made available to community organizations in early December.

Because of the compressed time schedule the Committee would be working within, staff support for the Committee's work may require some reprioritization of current workloads.

### **CONCLUSION**

The authorization of the Procedures Committee to consider potential refinements to the City's current CDBG/HOME and General Fund budgeting process may make what will likely be a challenging upcoming budget allocation process easier for both the City and community agencies requesting funding.

**PUBLIC NOTICING**—Agenda posting.

Prepared by:

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601-10-08-02M^

Attachments: 1. Copy of Council Policy A-8  
2. Excerpt from Minutes of April 30, 2002 Special Council Meeting